

## LISTING OF CLAIMS:

Claim 1. (Currently Amended) A video display device comprising:

a display configured to display a primary image and a picture-in-picture image (PIP) overlaying the primary image;

a processor operatively coupled to the display and configured to receive a first video data stream for the primary image, to receive a second video data stream for the PIP, and to change a PIP display characteristic in response to a at least one characteristic present in the primary image, wherein the PIP display characteristic is at least one of a position of the PIP on the display, a display size of the PIP, and a transparency of the PIP.

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control*  
Claim 2. (Cancelled)

Claim 3. (Original) The video display device of Claim 1, wherein processor is configured to analyze at least one frame of the first video data stream and detect at least one of a continuous color portion and a continuous texture portion on the at least one frame as the characteristic present in the primary image.

Claim 4. (Original) The video display device of Claim 1, wherein processor is configured to analyze at least one frame of the first video data stream and determine whether there is a person image on the at least one frame as the characteristic present in the primary image.

Claim 5. (Original) The video display device of Claim 1, wherein processor is configured to analyze at least one frame of the first video data stream and determine whether there is a person image on the at least one frame and at least one of a continuous color portion and a continuous texture portion as the characteristic present in the primary image.

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- Claim 6. (Original) The video display device of Claim 1, wherein processor is configured to analyze at least one frame of the first video data stream and determine a behavior present on the at least one frame as the characteristic present in the primary image.
- Claim 7. (Original) The video display device of Claim 1, wherein the PIP display characteristic is a position of the PIP and wherein the processor is configured to reposition the PIP to minimize overlaying a portion of the primary image wherein the characteristic is present in the primary image.
- Claim 8. (Original) The video display device of Claim 1, wherein the PIP display characteristic is a size of the PIP and wherein the processor is configured to resize the PIP to minimize overlaying a portion of the primary image wherein the characteristic is present in the primary image.
- Claim 9. (Original) The video display device of Claim 1, wherein the PIP display characteristic is a transparency of the PIP and wherein the processor is configured to render the PIP transparent to transparently overlay a portion of the primary image wherein the characteristic is present in the primary image.
- Claim 10. (Original) The video display device of Claim 1, wherein the PIP display characteristic is a size and a position of the PIP and wherein the processor is configured to determine the size and the position of the PIP to minimize overlaying a portion of the primary image wherein the characteristic is present in the primary image.
- Claim 11. (Original) The video display device of Claim 1, wherein the video display device is a television.
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